

ARC TIME Social Impact Property Fund

('the Fund')[PRN: 813913]



Sustainability Impact

Basic information

This document is issued in the UK by Alpha Real Capital LLP, the Authorised Corporate Director (ACD) to ARC TIME Social Impact Property Fund, a sub-fund of ARC TIME:Funds II

Label

The Fund has applied the Sustainability Impact label which means it invests mainly in solutions to sustainability problems, with an aim to achieve a positive impact for people or the planet.

Sustainability goal

The aim of the Fund is to offer Shareholders a consistent income stream, with some capital growth prospects, through the provision and utility of Social Infrastructure Assets in the UK, which seeks to deliver a positive sustainability impact.

Sustainability approach

Positive social impact for the Fund means the enhanced provision of and access to Social Infrastructure Assets providing health, housing, and education where there is an identified unmet need and/or underserved groups, with these services being provided in fit-for-purpose, quality facilities, which in turn supports the delivery and improvement of those essential services.

The specific targeted impacts are key positive societal benefits or real-world outcomes resulting from the investment activities performed by the Investment Manager for the purpose of delivering the desired impact, namely:



Enabling improved outcomes in health through activities that:

- Create more facilities, beds and capacity for health-related services
- Deliver facilities for health services in locations where there is an identified unmet need and/or underserved people
- Provide fit-for-purpose facilities enabling the effective delivery of the health service

Healthcare is an essential service which seeks to maintain and improve an individual's physical and/or mental health.

The aspiration is that an individual's life is enhanced through the provision of appropriate care and support.

Our assets include those caring for the elderly and those with dementia, in care homes. We strive for those individuals to experience less isolation and get access to more appropriate care.



Enabling improved outcomes in housing through activities that:

- Increase specialist housing capacity that is designed for specific groups of people, such as those who are disabled, vulnerable and/or elderly
- Deliver homes for the above user groups in locations where there is an identified unmet need and/or underserved people
- Provide fit-for-purpose housing for individuals, with better access to support services for those vulnerable user groups

Housing is the essential foundation for a healthy life. At its heart, individuals should have access to a good quality, secure and affordable home.

Suitable housing provides the foundation block to access education and healthcare which contribute to an individual's well-being.

Our assets include those providing specialist supported housing adapted for individuals with long-term care needs. This supports the specialist needs of such vulnerable individuals, promoting independence and increasing access to vital medical services.



Enabling improved outcomes in education through activities that:

- Create more facilities and places for educational services
- Deliver facilities for educational services in locations where there is an identified unmet need and/or underserved people
- Provide fit-for-purpose facilities enabling the effective delivery of the educational service

The ultimate goal of education is to provide the foundation blocks for an individual enabling them to navigate life and contribute to society when they are older.

This education process starts following birth and enables individuals to learn and thrive.

Our assets include children's day nurseries providing early years education. Per the UK Government's own research study^{*}, children who have attended a nursery or pre-school are more likely to be in employment, further education or training at 16-18 years old.

* Source: Best start in life part 1: setting the scene, www.gov.uk, November 2024

These sectors and assets may be in either/or the public and private sector. At least 70% of the Gross Asset Value of the Fund will be invested in Social Infrastructure Assets.

Risks

Through increasing the access to Social Infrastructure Assets there is the risk of unintended negative outcomes. These include negative environmental impacts that can occur during the construction, refurbishment and/or operation of property, such as increased emissions or energy usage.

The pursuance of the sustainability goal is not expected to have any material effect on the financial risk and return of the Fund. By investing in investments that promote positive social impact, the composition of the Fund may be significantly different to other portfolios, especially those not trying to achieve a social goal.

To support the Fund's assets in delivering the sustainability goal, the ACD adopts a proactive stewardship of investments to support the Fund's assets in delivering the target outcomes:

Stewardship activities	Link to sustainability goal
 Tenant engagement	Tenant engagement helps us to monitor improvements where these may be needed and resolve any issues as they arise, to enhance the delivery of the service and therefore the intended impact.
 Investment Manager and independent valuer inspections	Inspections help us to monitor whether the asset is being appropriately maintained by the tenant and if any improvements are needed. Failure to maintain the property or make appropriate improvements could result in the property no longer being fit for purpose and therefore affect the delivery of the service and achievement of the intended impact.
 Regulatory reporting and monitoring	Monitoring of regulatory reports (Ofsted, CQC, etc) enables us to identify where assets are underperforming. The information enables us to engage proactively where we can on required improvements and ensure continuity of the service and achievement of the intended impact.

Sustainability metrics

In order for us to robustly measure progress towards the sustainability goal of the Fund, we have concluded the following items are the Key Performance Indicators "KPIs":

KPI	Link to sustainability goal and impact
 Impact classification	Assessment made that the investment and/or asset makes and contributes to make an impact by considering the sector and specific characteristics of the end user group.
 Additionality	A rating given of low/medium/high additionality that is defined by the specific contribution the investment and/or asset makes, and continues to make, towards the social outcome targeted for an identified unmet need and/or underserved group of people.
 Standard of social infrastructure assets	Confirmation that the asset meets and continues to meet the required standard for the intended services based on initial registration and review by the independent regulatory body and independent valuer. By the asset meeting or exceeding the required regulatory standard, it can improve the delivery of the service.
 Number of beds/places/spaces	Once an investment has been identified as having a positive impact (Impact Classification KPI) and that impact can be attributed to the Fund's investment (Additionality KPI) we can quantify the capacity created or maintained within fit for purpose (Standard of Social Infrastructure Assets) properties in those locations of unmet need and/or underserved groups of people.
 Rent affordability	This demonstrates that there is a continued need for those services, the property is fit for purpose, and capable of delivering effective services to enable improved outcomes in Health, Housing and Education.
 Occupancy	Occupancy data is gathered from tenants on a regular basis to assess the level of capacity being utilised. This KPI is assessing the demand for the underlying service. This helps support the assessment that the investment is contributing to - or if there is a risk to - the targeted impacts.

We will report annually on how the Fund performs against its sustainability goal.

Further details

This document is issued in the UK by TIME Investments ("TIME") which is the trading name of Alpha Real Property Investment Advisers LLP, which is the Investment Manager of the Fund with delegated authority from Alpha Real Capital LLP, the authorised corporate director of the Fund, both of which are authorised and regulated by the Financial Conduct Authority with their registered office at 338 Euston Road, London, NW1 3BG. The document is intended for information purposes and does not constitute investment advice. Investors should read the Fund's Key Investor Information ("NURS-KII") where other non-sustainability related Fund information is located. All further details can be found in the Fund prospectus which can be located in our Fund Centre on the TIME website at <https://time-investments.com/social-impact-property>. We will also post all ongoing product level disclosures and entity level disclosures on our Fund Centre when these become available. If you have any questions about the investment process or an existing investment, please feel free to contact our Client Services Team on 0345 600 1213 or you can email them at enquiries@time-investments.com. If you have any questions about the ARC TIME Social Impact Property Fund, please contact our dedicated Business Development Team on 020 7391 4747 or email them at questions@time-investments.com.